

MN #	RFP REFERENCE	BIDDER QUESTION	STATE RESPONSE
1	PUBLISHED BUDGET	Based on our extensive experience and analysis of the RFP requirements, we believe that the \$18.7 million target budget is insufficient for development of the customized solution the State of California is seeking.	The published budget number in the most recent project approval document (Special Project Report #3, August 10, 2010), is an estimate for project approval purposes by the California Technology Agency and should not be viewed as a cap on total project costs or a cap on any component of project costs.
2	Terms and Conditions	Some items, such as proposed payment terms, holdback provisions, and letter of credit requirements, are either unacceptable or will significantly increase the cost of the solution to both Bidder and the State. Given the lengthy procurement and cost associated for both parties, we believe it to be in our mutual best interest to determine whether these issues can be negotiated prior to any confidential discussions.	The State understands the proposed payment terms and holdback provisions may significantly increase the project costs. Bidders may choose to discuss the terms and conditions in confidential discussions. Refer to dates in Section 1 of the RFP.
3	Lengthy and shifting procurement cycle.	Due to the length and changes to the procurement cycle, it will be difficult for us to dedicate six key resources for the duration of the procurement process.	The State has revised language in Addendum #4, Section V, regarding the six key resources.